

ITEM	3
MANAGER'S REPORT NO.	6
COUNCIL MEETING	95/02/13

TO: CITY MANAGER February 8, 1995
FROM: DIRECTOR PLANNING & BUILDING OUR FILE: RZ#41/94
SUBJECT: **AMENDMENT TO CNR'S REZONING APPLICATION
5548 MARSHLAND AVENUE**

PURPOSE: To provide Council with information pertaining to the Canadian National Railway's rezoning application to permit the establishment of rail infrastructure to serve as its CargoFlo facility as a first phase development and to establish community plan guidelines for the future industrial development of the balance of the site.

RECOMMENDATION:

1. **THAT** staff be authorized to work with the applicant towards the preparation of a suitable plan of development for presentation to a Public Hearing on the express understanding that:
 - a) the CargoFlo component will only handle non-regulated commodities; and that,
 - b) CN fund an Environmental Impact Study to provide Council and others with assurances that the proposed development will not negatively impact the community and the development. In order to ensure that the study is impartial, the City is to have the sole authority to set the terms of reference and evaluate the results.

REPORT

1.0 BACKGROUND

On 1994 July 25 Council received a report regarding the development of CN Rail's 80 acre parcel southeast of the intersection of Marshland Avenue and Wiggins Street (Sketches #1a and #1b **attached**). Council will recall that these lands were the subject of a previous rezoning application (RZ#74/93) in which it was proposed to include provision for the establishment of Stanchem Inc.'s chemical facility on these lands.

CN withdrew this application and replaced it with the subject application which does not include the chemical facility. The replacement application did, however, include provision for the handling of some regulated commodities as a component of CN's proposed CargoFlo operation. Council has been considering this application and received additional information on certain aspects of the intended development.

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2.0 EXISTING SITUATION

On February 6, 1995 Mr. B. Bodner, CN's Manager of Industrial Development for B.C., and Mr. H.B. Weinstein, CN's National Manger, CargoFlo Intermodal, appeared before Council as a delegation. At that time CN advised that, in the time since it first brought this rezoning proposal before the City, both the Council and the citizens of Burnaby have expressed strong concern over the possible presence of regulated commodities on-site, potentially presenting an environmental risk to both the land and nearby watercourses, and to neighbouring residents.

CN advised that it takes these concerns seriously and it wants the CargoFlo facility to reflect its commitment to be a responsible corporate citizen. As a result of the foregoing, CN has submitted the **attached** February 8, 1995 letter formally amending its rezoning application to handle only non-regulated commodities through the proposed CargoFlo facility. CN estimates this will reduce the anticipated total tonnage by about 10% to 90,000 to 120,000 tons per year.

CN further states that the proposed environmental impact study of the intended development will provide Council and others with assurances that the development will not negatively impact the community and the environment.

CN has also confirmed that it understands that any change in the types of commodities to be handled through the CargoFlo facility would require a separate zoning application.

3.0 DISCUSSION

Within the Big Bend Area, heavy industrial activities have primarily been located in the southeasterly sector with the more comprehensive, lighter industrial uses being located in the western portion of the area. CN is a major stakeholder in the area and has owned some 335 acres since 1915 (current ownership is shown Sketch #2 **attached**). In recent years it has actively pursued the development of its lands within the context of the Big Bend Development Plan (Sketch #3 **attached**) and the Official Community Plan. CN is developing the 135 acre Glenlyon Business Park west of Byrne Road. It has also developed 47 acres to date of its 200 acre rail oriented industrial reserve.

CN has now identified a need to commence development of the subject lands in order to be in a position to foster new markets and capture the associated incremental revenues which would contribute to its continued viability as a rail carrier. While the CargoFlo component would represent only 6% of CN's Big Bend area holdings it is considered by CN to be an integral component of its network of full service terminals.

Based on the information presented to Council to date, it is evident that the direct benefits to the City from the proposed CargoFlo operation would be substantially less than other, more traditional uses. The revised application represents, however, a significant departure from the initial application which included a chemical facility.

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In response to concerns expressed, CN has further revised its application to only include non-regulated commodities in its proposed CargoFlo operation.

Should Council authorize the advancement of the subject rezoning application, the next step in the process would be for staff to work with CN towards the preparation of a plan of development for presentation to a Public Hearing. This work would include the preparation of an environmental impact study funded by CN. The City would have the sole authority to set the terms of reference and evaluate the results.

If, at any time during this process, it is determined that risks to the community or the environment are such that they cannot be effectively mitigated, a recommendation would be advanced to not approve the development proposal.

In order to facilitate Council's review of this amended rezoning application, we have included other technical information pertinent to the proposal in the following sections.

4.0 GENERAL INFORMATION

4.1 Applicant: CN Real Estate
2000 - 666 Burrard Street
Vancouver, B.C. V6C 2X8
Attention: Larry Morgan, Senior Development Manager

4.2 Subject: Application for the rezoning of:

D.L. 155 Except: Firstly: Parcel A (E.P. 8786); Secondly: Parcel B (Ref. Plan 9170); Thirdly: Part on Plan 16380; Fourthly: Part dedicated road on Plan 18016; Fifthly: Part dedicated road on Plan 28236; Sixthly: Part lying south and west on Plan 5594 except part on Plan 18016; Seventhly: Part on statutory right-of-way Plan 68847; Group 1, N.W.D., Plan 3077

From: CD Comprehensive Development District

To: "Amended" CD Comprehensive Development District (based on M2 General Industrial District, M3 Heavy Industrial District and M5 Light Industrial District and Community Plan as guidelines)

4.3 Address: 5548 Marshland Avenue

4.4 Location: The subject site is located at the southeast corner of Marshland Avenue and Wiggins Street (see Sketches #1a and #1b)

4.5 Size: The site is irregular in shape with an area of approximately 80 acres.

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4.6 Services: The Director Engineering will be requested to provide all relevant servicing information.

4.7 Rezoning Purpose: The purpose of the proposed rezoning bylaw amendment is to permit the establishment of rail infrastructure to serve as CN Rail's CargoFlo facility as a first phase development and to establish community plan guidelines for the future industrial development of the balance of the site.

5.0 NEIGHBOURHOOD CHARACTERISTICS:

The subject site is vacant and within an area designated for comprehensive industrial use in the Big Bend Development Plan. It forms part of the Canadian National Railway Company's holdings in the Big Bend area. Approximately 50% of the site has been filled under permit from the Director Engineering to preload the site and to raise its overall grade to achieve floodproof elevations.

The Canadian National Railway line abuts the southerly side of the property. Asphalt roadways to an interim standard abut the other three sides of the site. The lands to the east are primarily developed for heavy industrial use and include a number of salvage and recycling facilities. The lands to the west are vacant and have been filled and preloaded preparatory to their being developed for general and light industrial use. The lands to the south of the CN Rail line house a major warehouse distribution facility as well as a state-of-the-art recycling facility. Portions of these lands are vacant and zoned for M3 Heavy Industrial use.

6.0 GENERAL DISCUSSION

6.1 The proposed development is to provide for CN Rail's first phase development consisting of its CargoFlo facility on the southerly portion of the site. Revised Community Plan guidelines are also proposed to designate the central portion of the site for future use for rail-oriented freight forwarding uses under the M2 General Industrial and M3 Heavy Industrial District guidelines. The area adjacent to Marshland Avenue is proposed to be designated for future non-rail industrial use under the M5 Light Industrial District guidelines.

CN has provided a description of the uses proposed for the site on a phased basis in its *attached* June 30, 1994 Letter of Intent. CN's further February 8, 1995 letter amends this intent by withdrawing the handling of regulated commodities from the proposed CargoFlo operation. The uses are shown schematically on the *attached* Sketch #4).

6.2 The first phase is proposed to consist of rail infrastructure to serve as a CN CargoFlo facility located in the southerly portion of the site adjacent to the existing rail right-of-way.

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The proposed full service CargoFlo facility is intended to form an integral part of CN's national network of such facilities. It is proposed to consist of a series of tracks separated by roadways which provide access to rail cars to facilitate the transfer of bulk commodities to trucks for local distribution. CN presently operates 15 CargoFlo facilities strategically located across Canada and the United States.

- 6.3 Some 70 different commodities are handled at existing facilities including regulated and non-regulated commodities. The utilization of the Comprehensive Development zoning provisions affords the opportunity to ensure that the design and use of the facility reflects the optimum level of performance, reliability and safety through the establishment of specific zoning regulations and their incorporation into a specific plan of development. Furthermore, in the subject case, they will ensure that regulated commodities are excluded from the CargoFlo operation.
- 6.4 As a component of the preparation of a suitable plan of development, CN will be required to provide the City with details of the commodities to be handled.
- 6.5 CN will be required to undertake an Environmental Impact Study as outlined previously in this report.
- 6.6 Revised Community Plan guidelines to be included as part of the CD Plan would also include provision for the future establishment of rail oriented freight forwarding operations within the central, second phase development are shown on Sketch #4. The M2 General Industrial and M3 Heavy Industrial zoning districts would apply as guidelines for the development of this area under the proposed Comprehensive Development zoning. Each future detailed development proposal would require an amendment rezoning application.
- 6.7 It is proposed that the northerly portion of the site abutting Marshland Avenue be designated for future Comprehensive Development utilizing the M5 Light Industrial District zoning district as guidelines. Again, each detailed development proposal will require an amendment rezoning application to be made.
- 6.8 The Director Engineering will be requested to prepare an estimate for all services necessary to serve Phase 1 of this site. Substantial road rights-of-way dedications and roadworks will be necessary.
- 6.9 A complete outline of all proposed prerequisite conditions to the rezoning will be included in a more detailed report to be submitted at a future date, prior to advancing to a Public Hearing, including the provision of public access easements along the westerly and northerly edges of the site to accommodate the extension of the City's trail system connecting the foreshore park to the south slope residential areas.
- 6.10 The approval of the Ministry of Transportation and Highways is required for this rezoning application.

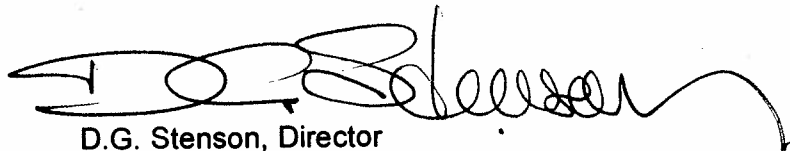
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7.0 CONCLUSION

The Canadian National Railway Company is a major stakeholder in the Big Bend area and has been pursuing the development of its lands on a phased basis within the framework of the Big Bend Development Plan and Burnaby's Official Community Plan. Forty-seven (47) acres have been developed to date and CN Real Estate is proceeding with its 135 acre Glenlyon Business Park west of Byrne Road.

In initiating development of the subject 80 acre parcel, CN is proposing to commence development of its rail oriented industrial reserve. In recognition of the concerns expressed by Council and the citizens of Burnaby, CN has confirmed that it will only handle non-regulated commodities at the proposed CargoFlo facility.

Should Council advance this proposal, a site specific plan will be established for CN's CargoFlo facility as a first phase development. Community Plan guidelines will also be established for the future development of the balance of the site. These future uses will be the subject of individual, site specific rezoning applications.



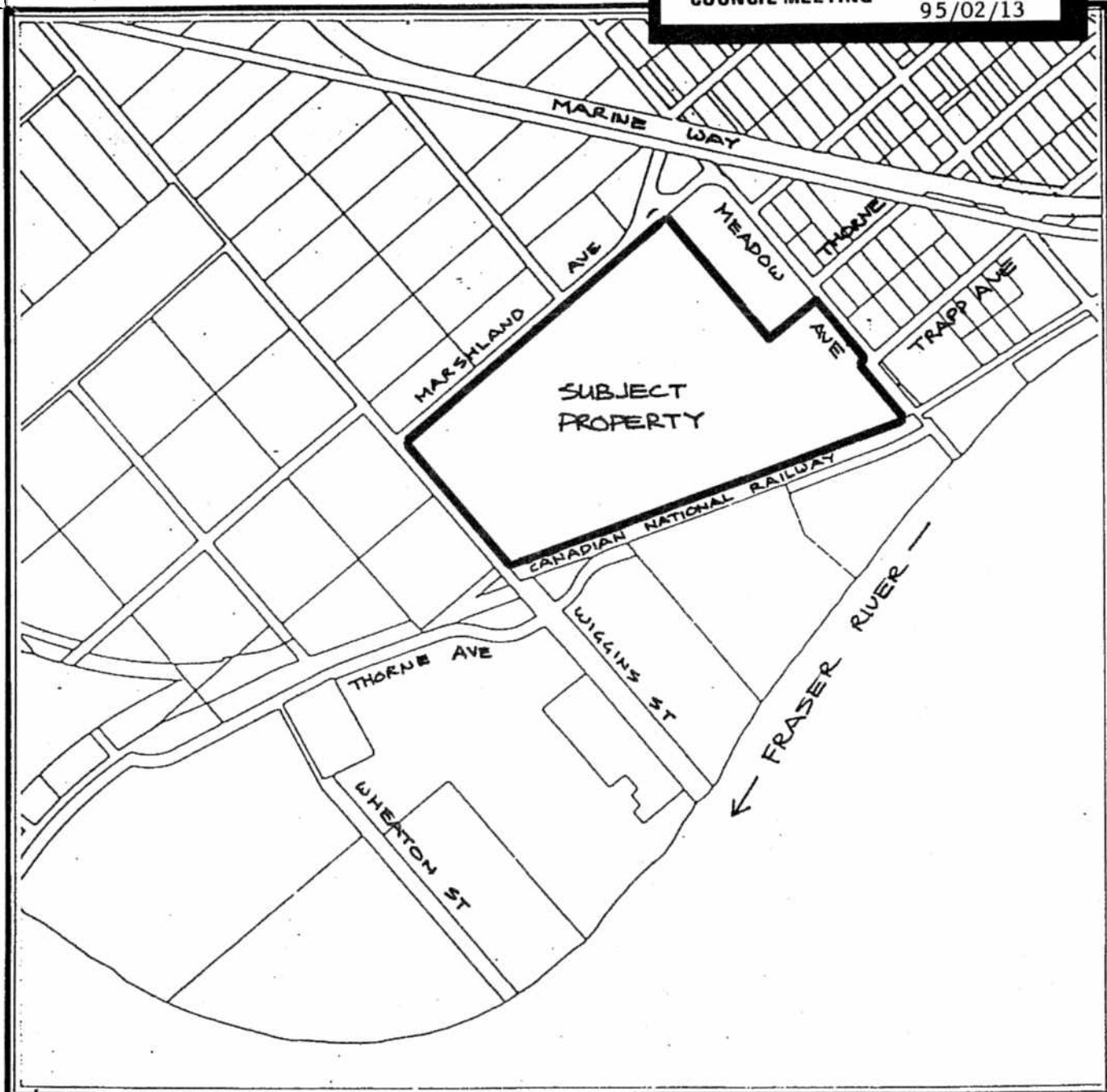
D.G. Stenson, Director
PLANNING & BUILDING

PB/jp

Attachments

cc: Director Engineering
Chief Environmental Health Officer
Chief Fire Prevention Officer
City Solicitor

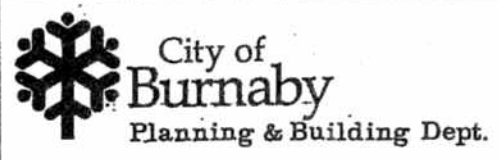
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Date:
95 FEB. 08

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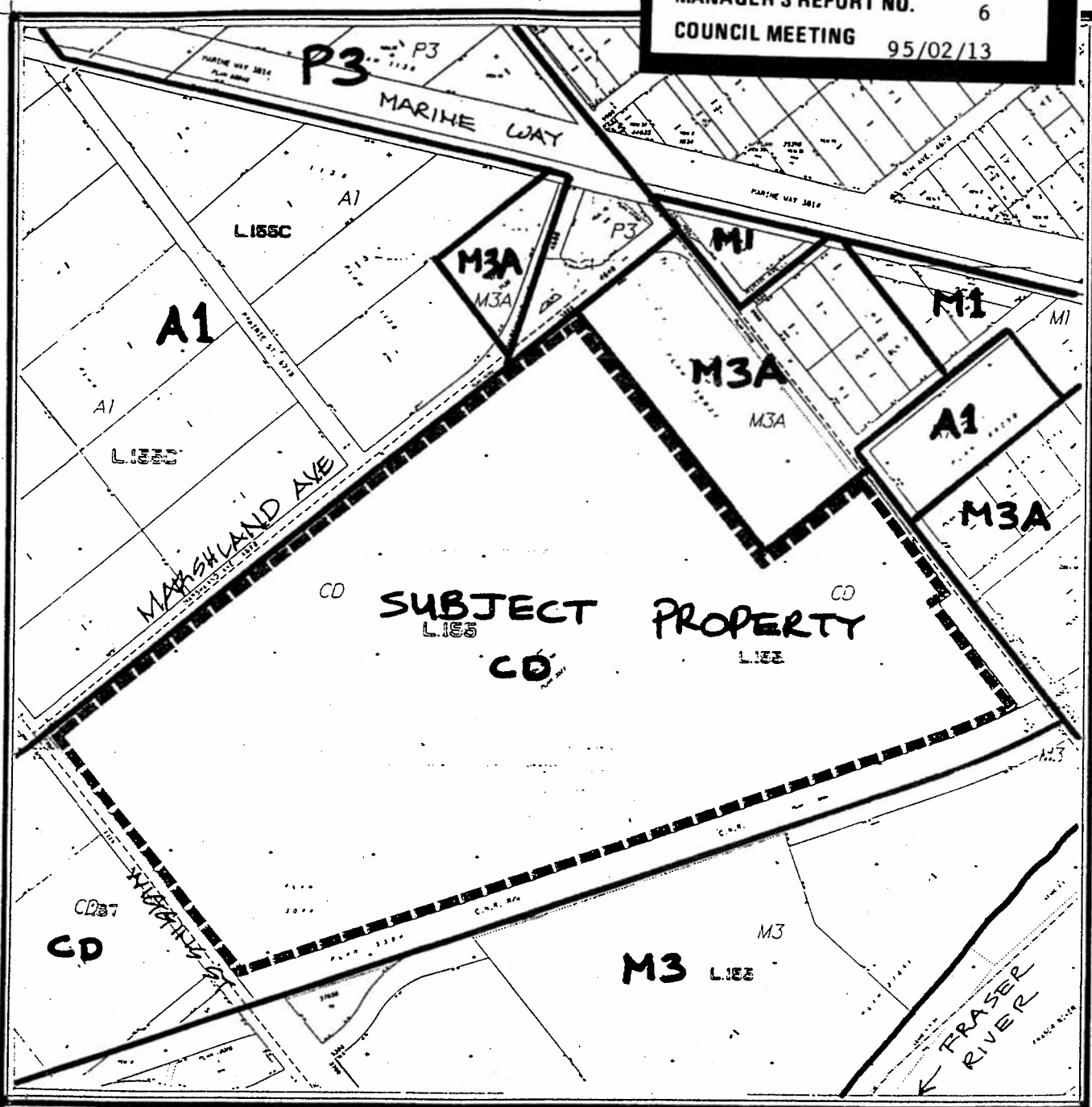


SKETCH # 1a

REZONING REFERENCE # **41/94**




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Date:
95 FEB. 08

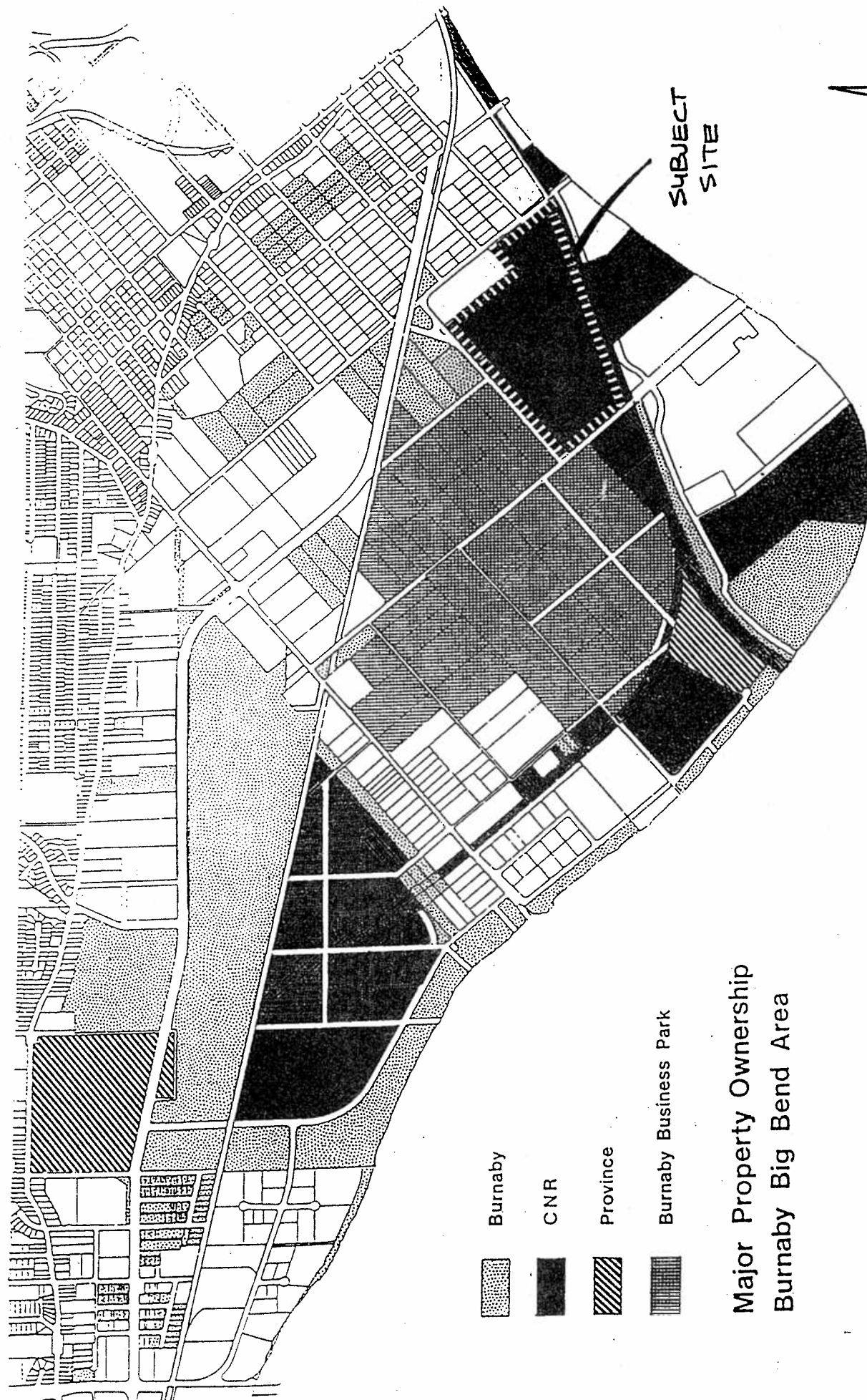
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 City of Burnaby
 Planning & Building Dept.


 SKETCH 1b

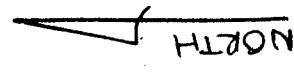
REZONING REFERENCE # 41/94



-  Burnaby
-  CNR
-  Province
-  Burnaby Business Park

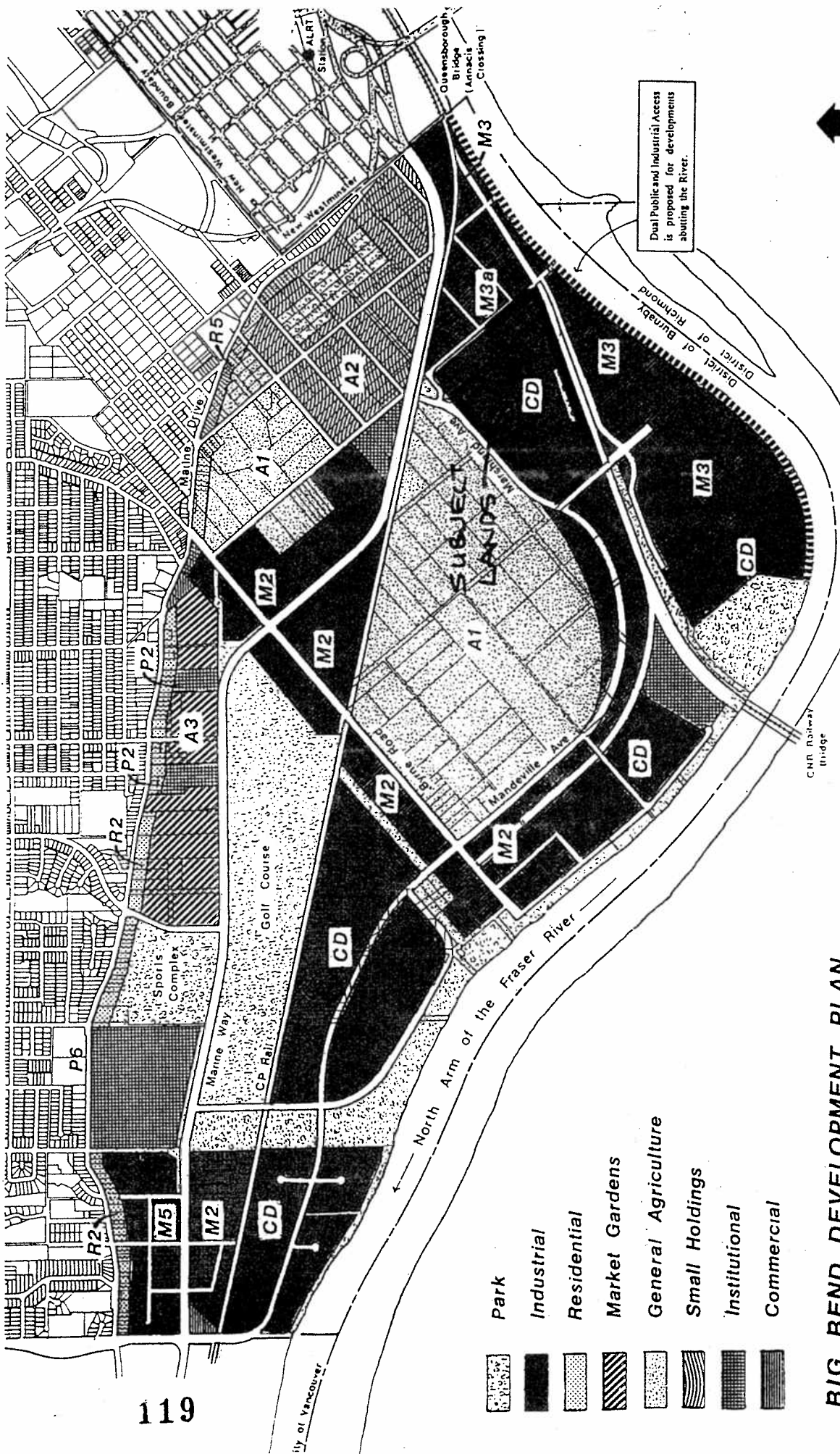
Major Property Ownership
Burnaby Big Bend Area

SUBJECT
SITE



SKETCH 2
95 FEB. 08

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- Park
- Industrial
- Residential
- Market Gardens
- General Agriculture
- Small Holdings
- Institutional
- Commercial

BIG BEND DEVELOPMENT PLAN

Revised to 1994 January

Dual Public and Industrial Access is proposed for developments abutting the River.

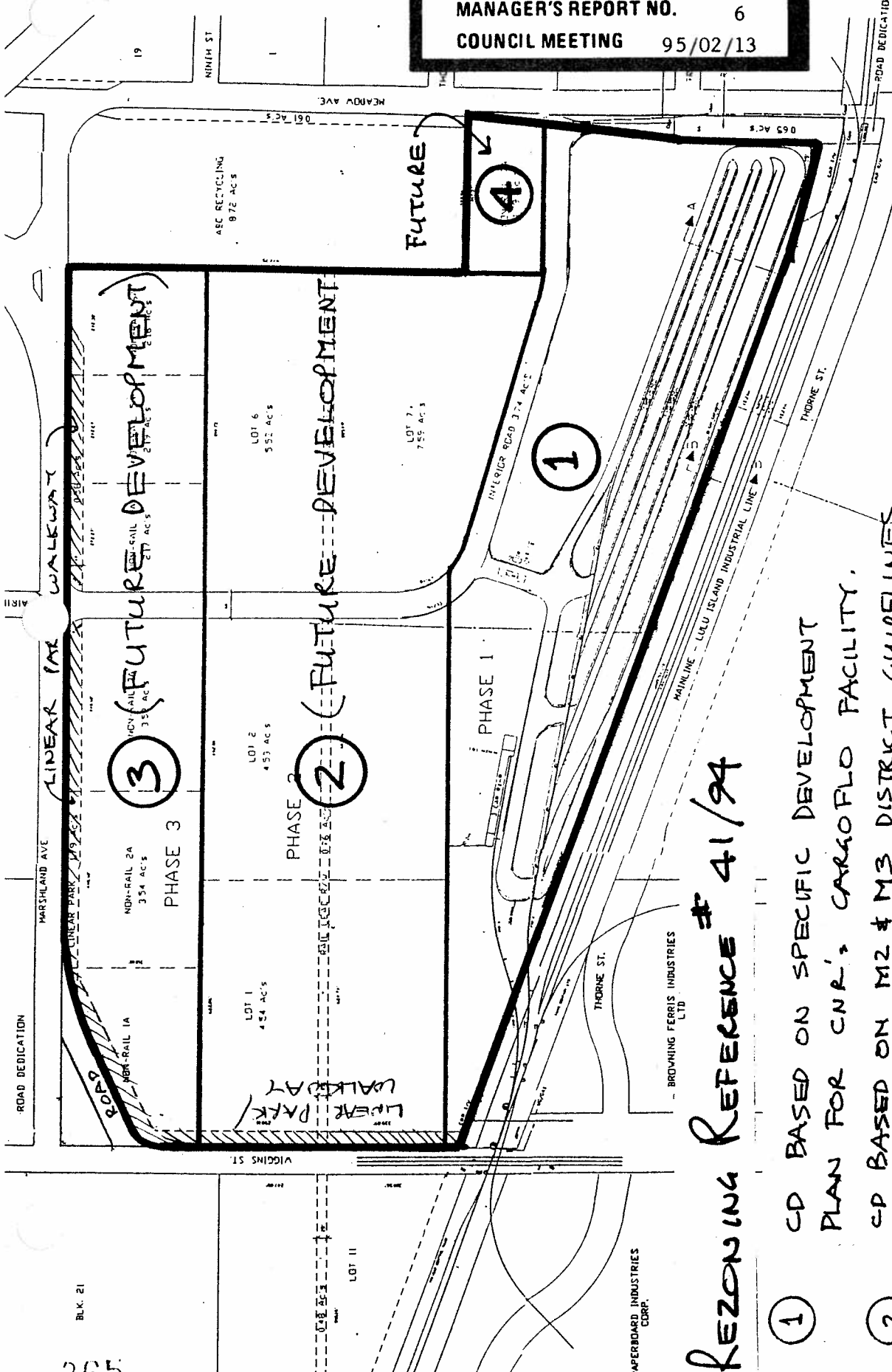
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SKETCH # 3

REZONING REFERENCE # 74/93

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NORTH
 SKETCH # 4
 95 FEB. 08

REZONING REFERENCE # 41/94

- ① CD BASED ON SPECIFIC DEVELOPMENT PLAN FOR CNR'S CARGO FLO FACILITY.
- ② CD BASED ON M2 & M3 DISTRICT GUIDELINES FOR RAIL-ORIENTED FREIGHT FORWARDING USES.
- ③ CD BASED ON M5 DISTRICT GUIDELINES (NON-RAIL)
- ④ CD BASED ON M2 & M3 DISTRICT GUIDELINES (NON-RAIL)

SCHENKER OF CANADA LTD. (B.U.K.)

PAPERBOARD INDUSTRIES CORP.

BLK. 21
 385

February 8, 1995

City of Burnaby
Planning & Building Inspection
4949 Canada Way
Burnaby, B.C.
V5G 1M2

Attention: Mr. Don Stenson
Director of Planning

Dear Sir:

Re: Rezoning reference #41/94
5548 Marshland Avenue

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In June , 1994 CN made application to Burnaby for rezoning of an 80 acre parcel in Burnaby's Big Bend area. The land is currently zoned under Burnaby's Comprehensive Development Guidelines and is designated for industrial use in the Official Community Plan. The application indicated that CN planned to develop the full 80 acres in three phases. Phase one would consist of rail infrastructure to serve as a CN CargoFlo Facility. Phases two and three would be developed to accommodate both rail oriented and non-rail light industrial developments. In completing the development of the parcel CN will invest \$6-\$8 million in roads and services in addition to the cost of buildings and infrastructure and provide a substantial increase to Burnaby's tax and employment base. Burnaby will also gain an additional 900 meters of linear park to further enhance the South Burnaby Trail System.

In the application CN asked for general community plan guidelines for the future industrial development of Phases Two and Three but specific guidelines to rezone Phase One for a CargoFlo Facility. CN stated that the proposed Facility would be designed to handle a full range of commodities, including both regulated and non-regulated products. We provided you with lists of typical products handled at other CN CargoFlo Facilities in Canada and stressed that the existing facilities operate under federal permits and are staffed by personnel fully trained on established safe operating procedures.

FEB. 8, 1995.

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However, in the time since CN first brought this rezoning proposal before the City, both Council and the citizens of Burnaby have expressed strong concern over the possible presence of regulated commodities at the CargoFlo Facility. Primary among these concerns has been the contention that such commodities will pose an adverse environmental risk to both the site itself, and to neighbouring residents. CN takes these concerns as seriously as do those who express them.

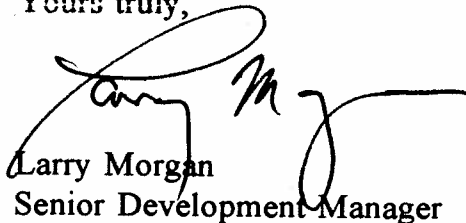
CN's intention to build a CargoFlo Facility as the first phase of the 80 acre site in Big Bend reflects our commitment to be a responsible corporate citizen of Burnaby. We are here for the long term. We listen to what our neighbours are saying.

Consequently, by this letter, we are amending our re-zoning application to only handle non-regulated commodities through the CargoFlo Facility. Non-regulated commodities include products such as liquid sugar, vegetable oils, agricultural products, plastic pellets etc. In preparing the plan of development, CN will provide Burnaby with full details of the proposed commodity groups. CN estimates that the handling of only non-regulated products will reduce the anticipated total tonnage by approximately 10% to 90,000 to 120,000 tons per year. The environmental impact study of the development will provide Council and others with assurances that the development will not negatively impact the community and the environment.

CN understands that any change in the types of commodities handled through the facility will require a separate rezoning application.

We trust council will accept this amended rezoning application and will direct staff to work together with CN to prepare a suitable plan of development.

Yours truly,



Larry Morgan
Senior Development Manager

cc: Brad Bodner, CN Rail

June 30, 1994

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City of Burnaby
Planning & Building Inspection
4949 Canada Way
Burnaby, BC
V5G 1M2

Attention: **Mr. Don Stenson**
 Director of Planning

Dear Sir:

Reference: **Application for Rezoning**
 5548 Marshland Avenue

Canadian National Railway Company (CN) is preparing to commence development of another of its properties in Burnaby's Big Bend area. The eighty acre parcel is presently zoned under Burnaby's Comprehensive Development Guidelines and is designated for industrial use in the Official Community Plan. CN's plans for the property will provide a gradation of uses ranging from heavy industrial adjacent to its rail line and established industries of similar type, to medium industrial in the middle of the development and light industrial on the Marshland Ave. frontage.

The property will be developed in three phases. Phase one will consist of rail infrastructure to serve as a CN CargoFlo facility located in the southern extreme of the property adjacent to the existing rail right of way.

Phase two of the development will consist of approximately 35 acres situated immediately north of phase one and will commence approximately five years following the completion of phase one. Some 20 of the 35 acres will be developed to accommodate the relocation of five CN owned freight forwarder facilities that will be similar in design to that occupied by Clarke Railfast on Willard Ave. in Burnaby's Big Bend area.

Phase three will proceed at some time following the initiation of phase two depending on market conditions. Phase three will encompass approximately 17 acres and consist of non rail light industrial developments fronting Marshland Ave. which is designated to form part of the proposed industrial loop road. The total developable area of 73 acres is net of linear park, municipal road
123 and rail right of way dedications.

JUNE 30, 1994

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The development of phase one will form an integral component in CN's national network of full service CargoFlo terminals. The proposed CargoFlo facility will consist of a series of tracks separated by roadways which provide truck access to rail cars to facilitate the transfer of bulk commodities from rail car to truck for local distribution. CN presently operates fifteen CargoFlo facilities strategically located across Canada and in the U.S.

Some 70 different commodities are handled at existing facilities including regulated and non-regulated. Each facility is equipped with a full range of state of the art transfer equipment to safely handle specific commodity groups. All facilities operate under Federal permits and are staffed by personnel fully trained in established safe operating procedures. In addition, CN CargoFlo is presently in the process of acquiring ISO 9002 certification which will enforce the principles of CN's Quality at Work program through the formal requirement for detailed documentation, continual improvement and independent facility audits.

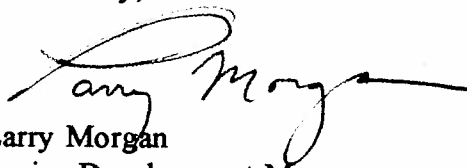
In preparing a plan of development for the CargoFlo facility, CN will provide Burnaby with full details of the commodities proposed to be handled as well as the estimated volumes. In addition CN will provide the operating manuals that will be used by the operators of the facility. CN will also conduct an Environmental Impact Study of the proposed CargoFlo facility in order to provide Burnaby with the assurance that the development will meet Burnaby's standards. CN will work with Burnaby to establish the terms of reference before commissioning the study.

CN has identified the need to commence development of the CargoFlo facility in order to foster new markets and capture the associated incremental revenues which will contribute to Canadian National's continued viability as a rail carrier.

The eighty acre property, which is the subject of this rezoning, is part of a total 200 acre rail oriented industrial reserve owned by CN since about 1915. This Rail serviced development will complement CN Real Estate's Glenlyon Business Park which is developing to the west. Together, CN's 335 acre holdings will add substantially to Burnaby's tax and employment base.

We trust council will accept this rezoning application and will direct staff to work together with CN to prepare a suitable plan of development.

Yours truly,



Larry Morgan
Senior Development Manager

LM/ok

cc: Brad Bodner, CN Rail

